

CONTROL/
US OFFICIALS ONLY

CLASSIFICATION ~~S-E-C-R-E-T~~
SECURITY INFORMATION
CENTRAL INTELLIGENCE AGENCY

REPORT

CD. NO.

COUNTRY German Democratic Republic
SUBJECT Economic - Planning, investments

DATE OF
INFORMATION 1951

DATE DIST. ~~May~~ 1952

NO. OF PAGES 3

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANINGS OF ESPIONAGE ACT NO. W. S. C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

GDR 1951 INVESTMENT PLAN

<u>Land Thuringen</u>	<u>Total Investment</u>	<u>Amt for Constr.</u>
Mining	2,200,000	900,000
Machine building	2,481,000	1,414,000
Building materials	595,000	391,000
Motor transportation	740,000	—
Roads, bridges	2,265,000	1,842,000
Health	2,225,000	1,359,000
Social welfare	1,060,000	684,000
Education	5,443,000	4,568,000
Public buildings	1,930,000	1,745,000
Local enterprises	1,992,000	1,471,000
Housing	12,600,000	12,360,000
Youth, sport	2,115,000	1,905,000
Total of above major projects	35,643,000	28,645,000
Minor projects	21,757,000	10,757,000
Grand total	57,400,000	39,402,000

<u>Land Mecklenburg</u>	<u>Total Investment</u>	<u>Amt for Constr</u>
Machine building	2,928,000	1,620,000
Building materials	3,225,000	1,721,000
Food industry	1,590,000	1,223,000
Navigation	5,900,000	2,761,000

- 1 -

CONTROL/US OFFICIALS ONLY

CLASSIFICATION S-E-C-R-E-T

STATE		NAVY	NSRB	DISTRIBUTION			
ARMY	AIR		FBI				

50X1-HUM

S-E-C-R-E-T

<u>Land Mecklenburg</u>	<u>Total Investment</u>	<u>Amt for Constr</u>
Motor transportation	1,360,000	--
Roads, bridges	1,685,000	1,590,000
Health	3,500,000	1,603,000
Social welfare	2,813,000	1,581,000
Education	10,850,000	8,198,000
Public buildings	2,000,000	1,885,000
Local enterprises	6,415,000	4,109,000
People-owned housing	12,200,000	21,065,000
Youth, sport	5,878,000	5,572,000
Total of above major projects	69,344,000	52,928,000
Minor projects	12,556,000	9,390,000
Grand total	81,900,000	62,318,000

<u>Land Brandenburg</u>	<u>Total Investment</u>	<u>Amt for Constr</u>
Machine building	1,145,000	299,000
Chemistry	1,120,000	332,000
Minerals, earths	2,440,000	1,199,000
Building industry	490,000	--
Light industry	100,000	18,000
Food industry	1,027,000	525,000
Motor transportation	856,000	40,000
Roads and bridges	4,380,000	4,176,000
Health	3,170,000	1,847,000
Social welfare	484,000	340,000
Education	7,705,000	6,045,000
Public buildings	2,304,000	1,654,000
Local enterprises	5,307,000	2,245,000
People-owned housing	12,110,000	12,005,000
Youth, sport	3,228,000	2,700,000
Total of above major projects	45,866,000	33,425,000
Minor projects	17,134,000	11,678,000
Grand total	63,000,000	45,103,000

<u>Land Sachsen-Anhalt</u>	<u>Total Investment</u>	<u>Amt for Constr</u>
Machine building	3,000,000	1,530,000
Minerals, earths	555,000	174,000
Light industry	400,000	26,000
Food industry	580,000	550,000
Motor transportation	1,600,000	92,000
Roads and bridges	4,175,000	3,663,000
Health	2,891,000	1,744,000
Social welfare	945,000	716,000
Education	8,925,000	6,697,000
Public buildings	1,085,000	927,000
KWU (Communal Enterprises)	4,811,000	2,045,000

- 2 -

S-E-C-R-E-T

S-E-C-R-E-T

50X1-HUM

<u>Land Sachsen-Anhalt</u>	<u>Total Investment</u>	<u>Amt for Constr</u>
Housing	27,000,000	26,766,000
Youth, sport	3,670,000	2,897,000
Total of above major projects	59,617,000	47,827,000
Minor projects	26,383,000	13,183,000
Grand total	86,000,000	61,010,000

<u>Land Sachsen</u>	<u>Total Investment</u>	<u>Amt for Constr</u>
Mining	1,222,000	588,000
Machine building	2,935,000	940,000
Minerals, earths	1,787,000	1,197,000
Building industry	1,254,000	300,000
Chemistry	1,390,000	630,000
Light industry	478,000	290,000
Food industry	2,922,000	1,800,000
Transportation	6,600,000	4,353,000
Health	2,180,000	905,000
Social welfare	2,700,000	1,872,000
Education	11,852,000	8,974,000
KWU (Communal Enterprises)	15,308,000	9,519,000
Housing	41,980,000	41,594,000
Public buildings	2,573,000	2,180,000
Youth, sport	4,350,000	3,724,000
Total of above major projects	99,471,000	78,866,000
Minor projects	26,079,000	20,502,000
Grand total	125,550,000	99,368,000

The 1949 - 1950 Two-Year Plan is now shown to have been a tremendous failure. It will soon be apparent to what extent the plan targets have been reached or underfulfilled. Numerous bad investments also have been confirmed. This much is certain: actual performance is far below the planned figures in almost every field. It is particularly noteworthy that, although the allotted sums were spent freely, the results envisaged in the plan were not achieved. Thus, to a great degree, more money was spent for building installations or equipment than was anticipated.

- E N D -

CONFIDENTIAL - 3

S-E-C-R-E-T